

7-15-82

1 Department of Economic Security  
 2 Community Services and Training Division  
 3  
 4 Adopted Rules Governing Weatherization Assistance for Low-Income  
 5 Persons Program  
 6  
 7 Rule as Adopted

8 8 MCAR S 4.0012 Weatherization assistance for low-income people.

9 A. Purpose. The purpose of this rule is to develop and  
 10 implement a state weatherization assistance program under the  
 11 authority of 'Minnesota Statutes,' section 268.37 in the  
 12 dwellings of low-income persons in order both to aid those  
 13 persons least able to afford higher utility costs and to  
 14 conserve needed energy.

15 B. Administration of grants. Grants awarded under this rule  
 16 shall be administered in accordance with the following:

17 1. "Uniform Administrative Requirements for Grants-in-Aid  
 18 to State and Local Governments," issued as Office of Management  
 19 and Budget Circular A-102 Revised and found in the 'Federal  
 20 Register,' volume 42, pages 45828-45891 (1977).

21 2. "Grants and Agreements With Institutions of Higher  
 22 Education, Hospitals, and other Nonprofit Organizations," issued  
 23 as Office of Management and Budget Circular A-110 and found in  
 24 the 'Federal Register,' volume 41, pages 32016-32037 (1976).

25 3. "Audit of Federal Operations and Programs," issued as  
 26 Office of Management and Budget Circular A-73 and found in the  
 27 'Federal Register,' volume 43, pages 12404-12406 (1978).

28 4. "Cost Principles for State and Local Governments,"  
 29 issued as Office of Management and Budget Circular A-87 and  
 30 found in the 'Federal Register,' volume 46, pages 9548-9554  
 31 (1981).

32 5. "Evaluation, Review and Coordination of Federal and  
 33 Federally Assisted Programs and Projects," issued as Office of  
 34 Management and Budget Circular A-95 and found in the 'Federal  
 35 Register,' volume 40, pages 2052-2065 (1976).

36 6. "Notification to States of Grant-in-Aid Information,"

1 issued as United States Treasury Circular 1082 and found in the  
2 'Federal Register,' volume 41, page 2652 (1976).

3 7. "Withdrawal of Cash From the Treasury for Advances  
4 Under Federal Grant and Other Programs," issued as United States  
5 Treasury Circular 1075 and found in the 'Code of Federal  
6 Regulations,' title 31, section 205 (1980).

7 C. Definitions. As used in 8 MCAR S 4.0012 the following  
8 terms have the meanings given them.

9 1. "Agency" means an organization that receives funds  
10 under this rule to operate a weatherization program.

11 2. "Assistant commissioner" means the Assistant  
12 Commissioner of the Division of Training and Community Services  
13 of the Department of Economic Security.

14 3. "Community action agency" means a private corporation  
15 or public agency as defined in 'Minnesota Statutes,' section  
16 268.53, subdivision 1.

17 4. "Commissioner" means the Commissioner of the  
18 Department of Economic Security.

19 5. "Conditioned space" means an area inside the building  
20 envelope where the air temperature can be altered by a heating  
21 or cooling device.

22 6. "Cosmetic items" means items that only enhance the  
23 esthetic appearance of the property. Some examples of "cosmetic  
24 items" are finishes, decorative fenestration, and elevation  
25 materials such as aluminum siding, board and batten, clapboard,  
26 brick, stone, shakes and asphalt siding.

27 7. "Cost of employment" means compensation for services  
28 as defined in Office of Management and Budget Circular A-87,  
29 Attachment B, A.10, A.13, and A.14, as cited in B.4.

30 8. "Department" means the Department of Economic Security.

31 9. "Dwelling unit" means a house or household. It  
32 includes stationary mobile homes, homes, apartments, and groups  
33 of rooms or single rooms occupied as separate living quarters.

34 10. "Elderly person" means a person who is 60 years of  
35 age or older.

36 11. "Eligible dwelling unit" means a dwelling unit that

1 is occupied by a low-income family unit.

2 12. "Family unit" means all persons living together in a  
3 dwelling unit.

4 13. "Grantee" means an organization that receives funds  
5 under this rule to operate a weatherization program.

6 14. "Grantor" means the Division of Training and  
7 Community Services, Department of Economic Security, State of  
8 Minnesota.

9 15. "Handicapped person" means a person who, in the  
10 opinion of a qualified medical person, is permanently physically  
11 or mentally disabled. "Qualified medical person" means a  
12 qualified physician or chiropractor authorized to practice his  
13 profession in the State of Minnesota.

14 16. "Heating degree days" means the difference in  
15 temperature, in degrees Fahrenheit between the mean temperature  
16 for the day and 65 degrees Fahrenheit on any day when the mean  
17 temperature is less than 65 degrees Fahrenheit. Data for this  
18 factor is from 'Monthly Normals of Temperature, Precipitation  
19 and Heating and Cooling Degree Days, 1941-1970,' issued by the  
20 National Oceanic and Atmospheric Administration (United States  
21 Department of Commerce, 1973).

22 17. "Heating or cooling source" means a device that can  
23 raise or lower temperatures in a dwelling unit as part of the  
24 permanent heating, ventilating, and air conditioning system  
25 installed in the dwelling unit. It includes furnaces, heat  
26 pumps, stoves, boilers, heaters, fireplaces, air conditioners,  
27 fans, and solar devices.

28 18. "Independent contractor" means an entity that  
29 furnishes materials or provides labor or both in the  
30 weatherization of buildings of low-income persons.

31 19. "Indian tribe" means any tribe, band, nation, or  
32 other organized group or community of Native Americans,  
33 including any Alaska native village, or regional or village  
34 corporation as defined in or established under the Alaska Native  
35 Claims Settlement Act, 'United States Code,' title 43, sections  
36 1601-1628 (1977 and Supplement III 1980), which:

1 a. is recognized as eligible for special programs and  
2 services provided by the United States to Native Americans  
3 because of its status as Native American; or

4 b. is located on or near a federal or state  
5 reservation or rancheria.

6 20. "Low-income" means having a total household income in  
7 relation to family size which:

8 a. is at or below 125 percent of the poverty level  
9 determined in accordance with criteria established by the  
10 Director of the Federal Office of Management and Budget in 'Code  
11 of Federal Regulations,' title 45, section 1060 (1981); or

12 b. is the basis for which cash assistance payments  
13 have been paid during the preceding 12-month period under Titles  
14 IV and XVI of the Social Security Act, 'Statutes at Large,'  
15 volume 49, page 620, chapter 531 (1935), codified in scattered  
16 sections of 'United States Code,' volume 42.

17 21. "Mechanical equipment" means control devices or  
18 apparatus that is primarily designed to improve the heating or  
19 cooling efficiency of a dwelling unit and that will be  
20 permanently affixed to an existing heating or cooling source.  
21 It includes a flue damper, clock setback thermostat, filter, and  
22 replacement limit switches.

23 22. "Multifamily dwelling unit" means a dwelling unit  
24 that is located in a structure containing more than one dwelling  
25 unit.

26 23. "Number of low-income, owner-occupied dwelling units  
27 in the county" means the number of those dwelling units in a  
28 county as determined by the department.

29 24. "Number of low-income, renter-occupied dwelling units  
30 in the county" means the number of those dwelling units in a  
31 county as determined by the department.

32 25. "Repair material" means an item necessary for the  
33 effective performance or preservation of weatherization  
34 materials. "Repair material" includes lumber used to frame or  
35 repair windows and doors that could not otherwise be caulked or  
36 weather-stripped, and protective materials, such as paint, used

1 to seal materials installed under this program. "Repair  
2 material" also includes furnace efficiency modifications limited  
3 to:

- 4 a. replacement burners;
- 5 b. devices for modifying fuel openings, including  
6 one-time replacement of furnace filters; and
- 7 c. electrical or mechanical furnace ignition systems  
8 that replace standing gas pilot lights.

9 26. "Regional clearinghouse" means the local Regional  
10 Development Commission that has the authority under Title IV of  
11 the Intergovernmental Cooperation Act of 1968, 'United States  
12 Code,' volume 42, sections 4231-4233 (1977), to review and  
13 comment with respect to projects funded by the federal and state  
14 governments.

15 27. "Rental dwelling unit" means a dwelling unit occupied  
16 by a person who pays periodic sums of money to occupy the  
17 dwelling unit.

18 28. "Separate living quarters" means those in which the  
19 occupants do not regularly live and eat with any other persons  
20 in the structure and which have either direct access from the  
21 outside of the building or through a common hall, or complete  
22 kitchen facilities for the exclusive use of the occupants. The  
23 occupants may be a single family, one person living alone, two  
24 or more families living together, or any other group of related  
25 or unrelated persons who share living arrangements.

26 29. "Single family dwelling unit" means a structure  
27 containing no more than one dwelling unit.

28 30. "State" means the State of Minnesota.

29 31. "Weatherization crew" means a group of weatherization  
30 laborers with a weatherization supervisor.

31 32. "Weatherization laborer" means a person who performs  
32 weatherization and repair activities necessary to complete work  
33 on eligible dwelling units. The work may include auditing,  
34 inspecting, delivery, and physical warehousing of weatherization  
35 materials and equipment.

36 33. "Weatherization project" means a project conducted in

1 a single geographical area which undertakes to weatherize  
2 dwelling units that are thermally inefficient.

3 34. "Weatherization supervisor" means a person who  
4 inspects weatherization and repair activities and who is  
5 responsible for crew laborers' conduct, performance, and  
6 evaluation.

7 35. "Weatherization materials" means materials used to  
8 weatherize homes as defined in 'Code of Federal Regulations,'  
9 title 10, sections 456.101-456.914 (1980) amended by 'Federal  
10 Register,' volume 45, pages 63449, 63453, 63793 (1980).

11 D. Allocation of funds. The department shall allocate funds  
12 by county to eligible grantees with a demonstrated ability to  
13 administer and deliver weatherization services. The department  
14 shall determine whether or not a grantee has a demonstrated  
15 ability to administer and deliver weatherization services by  
16 taking into account the criteria in 3. Equal weight shall be  
17 given to each of the criterion. The department shall also  
18 allocate funds to eligible grantees who have been engaged in  
19 contracting for the construction and repair of real property.

20 1. All contracts between the state and a grantee will run  
21 for six months beginning July 1.

22 2. A grant shall be terminated if the department  
23 determines, after a public hearing conducted by the Office of  
24 Administrative Hearings, that the grantee has been ineffective  
25 in meeting the purpose of 'Minnesota Statutes,' section 268.37.

26 3. In making a determination under 2., the department  
27 shall evaluate the performance of the grantee and shall consider:

28 a. how quickly the weatherization project achieves the  
29 goals of 'Minnesota Statutes,' section 268.37;

30 b. whether the grantee has adhered to the plan  
31 submitted;

32 c. the quality of work performed through the grantee;  
33 and

34 d. the number, qualifications, and experience of staff  
35 members of the grantee.

36 E. Grant applications.

1           1. Applications to the department must contain a plan for  
2 the use of state funds which is submitted not later than 30 days  
3 after receipt of written notice from the department of the  
4 availability of funds for each year. The department shall  
5 review each timely application and if the submission complies  
6 with the applicable provisions of this rule, approve a final  
7 budget and issue a notice of grant award.

8           2. Each application must include:

9           a. the name and address of the grantee responsible for  
10 administering the program;

11           b. a financial schedule which indicates the monthly  
12 funding requirements based on projected production;

13           c. staffing patterns for all weatherization personnel  
14 to allow local program grantees to attain production goals;

15           d. a written review of the plan by the regional  
16 clearinghouse; and

17           e. a statement by grantee ensuring that:

18           (1) no dwelling unit may be weatherized without  
19 written documentation that the unit is eligible for  
20 weatherization as provided in 8 MCAR S 4.0012;

21           (2) there is an outreach process used to obtain  
22 applications together with a description of that process; and

23           (3) it will establish a priority system for client  
24 applications.

25           3. Each application must state the minimum number of  
26 dwelling units to be completed by each grantee which are to be  
27 established by the department.

28           4. The grantee shall insure that no eligible dwelling  
29 unit receives more than \$750 in material and that each dwelling  
30 unit is weatherized according to the priority list established  
31 by the department as found in Exhibit 8 MCAR S 4.0012 E.4.-1 or  
32 Exhibit 8 MCAR S 4.0012 E.4.-2. The department shall waive the  
33 \$750 restriction for individual eligible dwelling units on  
34 written application documenting that the material costs on the  
35 applicant's dwelling exceed \$750 and that all activities are  
36 eligible according to the agency's priority list. A waiver will

1 be granted if the eligible dwelling exceeds 1500 square feet, or  
2 is two story, or requires more than 16 storm windows. If a  
3 waiver is granted, the total material expenditures may not  
4 exceed \$1,000. For purposes of Exhibit 8 MCAR S 4.0012 E.4.-1  
5 and Exhibit 8 MCAR S 4.0012 E.4.-2, home types have the  
6 following meanings:

- 7 a. "Type I" means homes with accessible attics;
- 8 b. "Type II" means homes with inaccessible basements;
- 9 c. "Type III" means homes with solid walls;
- 10 d. "Type IV" means homes with knee wall construction;
- 11 e. "Type V" means mobile homes.

12 Exhibit 8 MCAR S 4.0012 E.4.-1

13 WEATHERIZATION PRIORITIES FOR HOME TYPES I-IV 8-28-81

14 Weatherization deliverers will follow the priority list given  
15 below. If the particular activity listed currently exists or  
16 cannot be done, then an explanation must be made on the Retro  
17 Tech Job Sheet. If the client will not permit certain  
18 activities, then a statement with an explanation of the refusal  
19 to permit work, signed by the client, must be in the file.

20 Priorities

21 I. General Heat Waste

22 A. Caulk all exterior envelope infiltration points including:

- 23 1. Window and door frames.
- 24 2. Sill plates.
- 25 3. Foundation cracks.
- 26 4. Corners of buildings.
- 27 5. Under door sills.
- 28 6. Around all electrical & plumbing entrances.
- 29 7. All other infiltration areas.

30 B. Install hot water heater jackets except where a vent  
31 damper is present.

32 C. Insulate hot water pipes in accessible unheated space.

33 D. Weatherstrip movable windows and doors between  
34 conditioned and unconditioned space, including basement doors,  
35 attic scuttles and knee wall entrances.

36 E. Install gaskets on electrical boxes located on the



- 1 interior side of exterior walls.
- 2 F. Replace or reset broken or loose glass.
- 3 II. Insulate Attic area
- 4 A. To R-38
- 5 B. Vent in accordance with FHA/HUD Minimum Property
- 6 Standards. (No vapor barrier 1 to 150 ratio; with vapor barrier
- 7 1 to 300 ratio.)
- 8 C. Insulate attic scuttle doors to R-30; dam access area
- 9 allowing entry to attic.
- 10 III. Insulate exterior walls to minimum of R-11.
- 11 IV. Insulate rim joist area to a minimum of R-19 with vapor
- 12 barrier on warm side.
- 13 V. Insulate above-grade foundation walls to R-11. When
- 14 insulation is applied to interior side of the foundation wall,
- 15 extend insulation 2 feet below grade.
- 16 On crawl space, either insulate perimeter foundation wall
- 17 to R-11 or floor to minimum of R-19 where freezing of pipes is
- 18 not a factor.
- 19 VI. Install storm windows on single-glazed windows where storm
- 20 windows are missing or existing storm windows are deteriorated
- 21 beyond repair. -
- 22 VII. Install new primary doors and windows only where old ones
- 23 are beyond repair and cannot be weatherstripped.
- 24 Optional Items--Only after all of the required items are
- 25 completed and if maximum material limit has not been reached.
- 26 I. Clock set back thermostats.
- 27 II. Storm doors.
- 28 Exhibit 8 MCAR S 4.0012 E.4.-2
- 29 MOBILE HOME PRIORITIES 8-28-81
- 30 Priorities for Type V Home
- 31 I. General Heat Waste
- 32 A. Caulk all exterior envelope infiltration points including:
- 33 1. Window and door frames.
- 34 2. Corners of buildings.
- 35 3. Under door sills.
- 36 4. Around all electrical and plumbing entrances.

- 1           5. Along all siding seams.
- 2           6. Around all "through the wall" accessories.
- 3           B. Install hot water heater jackets on electrical water
- 4 heaters, or
- 5           Insulate water heater closet on gas and oil fired water
- 6 heaters.
- 7           C. Insulate hot water pipes where accessible.
- 8           D. Replace all worn weather stripping on all moveable
- 9 windows.
- 10          E. Weatherstrip all exterior prime doors.
- 11          F. Replace or reset broken or loose glass.
- 12          II. Insulate ceiling to maximum extent possible not to exceed
- 13 R-38 and install at least two 8-inch round vents or equivalent.
- 14          III. Insulate floor to maximum extent possible not to exceed
- 15 R-38.
- 16          IV. Install storm windows on those single glazed windows where
- 17 the original storm is either missing or damaged beyond repair.
- 18          V. Install new prime doors and windows where existing ones are
- 19 beyond repair.
- 20          Optional Items (Only after all required items are completed.)
- 21          I. Replace damaged or missing storm door.
- 22          II. Repair and tighten skirting--certify that permanent vent
- 23 equaling 36 sq. in. per 25 lineal feet of skirt is installed if
- 24 skirting repair is done.
- 25          F. Allowable expenditures. Expenditures shall be limited to:
- 26                1. the cost of purchase, delivery, and storage of
- 27 weatherization materials;
- 28                2. transportation of weatherization materials, tools,
- 29 equipment, and work crews to a storage site and to the dwelling
- 30 work site;
- 31                3. maintenance, operation, and insurance of vehicles to
- 32 transport items in 2.;
- 33                4. maintenance of tools and equipment;
- 34                5. purchases of tools, equipment, and vehicles;
- 35                6. payments to an independent contractor for furnishing
- 36 materials or providing labor or both in the weatherization of

1 dwellings of low-income persons;

2 7. the cost of employment of weatherization supervisors;

3 8. the cost of employment of weatherization laborers;

4 9. the cost, not to exceed \$150 per dwelling unit, for  
5 repair materials and repairs to the heating source necessary to  
6 make the installation of weatherization materials effective;

7 10. building permits where applicable;

8 11. the cost of liability insurance for weatherization  
9 projects for personal injury and property damage;

10 12. administrative expenses not to exceed 7.5 percent of  
11 each grantee's allocation;

12 13. weatherization of a building containing eligible  
13 rental dwelling units if at least 66 percent of the rental units  
14 in the building are eligible dwelling units and if the landlord  
15 or landlord's agent agrees in writing that the grantee may do  
16 the weatherization work and that rents will not be raised  
17 because of the weatherization work.

18 All purchases in 5. with an acquisition value of \$300 or  
19 more must have written approval from the department. Purchasing  
20 must follow procedures outlined in Office of Management and  
21 Budget Circulars A-87, A-102, and A-110, as cited in B.

22 G. Unallowable expenditures. Grant funds may not be used  
23 for any of the following purposes:

24 1. to weatherize a dwelling unit that has been  
25 weatherized previously with grant funds from the United States  
26 Department of Energy or state assistance under 'Minnesota  
27 Statutes,' section 268.37 or 8 MCAR S 4.0012, unless the  
28 dwelling unit has been damaged by fire, flood, or an act of God,  
29 and repair of the damage to weatherization materials is not paid  
30 for by insurance;

31 2. to weatherize a dwelling unit that is vacant or  
32 designated for acquisition or clearance by a federal, state, or  
33 local government program within 12 months from the date  
34 weatherization of the dwelling unit would be scheduled to be  
35 completed; or

36 3. to purchase cosmetic items, remodeling items, or a

1 heating or cooling source.

2 H. Oversight responsibility. The department shall supervise  
3 the projects of the grantees in the following manner:

4 1. At least once every three months the department shall  
5 monitor and evaluate the operation of projects carried out by  
6 the grantees receiving financial assistance under 8 MCAR S  
7 4.0012 through on-site inspections, reviews of reports submitted  
8 by grantees and inspection of their books and records.

9 2. The grantee shall give the department access, for the  
10 purpose of audit and examination, to any books, documents,  
11 papers, information, and records of any weatherization project  
12 receiving financial assistance under 8 MCAR S 4.0012.

13 3. The commissioner shall conduct an annual audit of the  
14 records of a grantee receiving financial assistance under this  
15 rule.

16 I. Record keeping. Record keeping shall be in accordance  
17 with Office of Management and Budget Circular A-87 as cited in  
18 B.4. Each grantee receiving state financial assistance under  
19 this rule shall keep records the department requires, including  
20 records which fully disclose the amount and disposition by each  
21 grantee of funds received under 8 MCAR S 4.0012, the total cost  
22 of the weatherization project for which the assistance was given  
23 or used, including all sources and amounts of funds for the  
24 project or program, and other records the department deems  
25 necessary for an effective audit and performance evaluation.

26 J. Monthly reports. Each grantee receiving financial  
27 assistance under this rule shall submit a monthly program  
28 performance report and a monthly financial report or invoice to  
29 the department.

30 K. Granting process. When the department approves an  
31 application for a grant, it shall notify the grantee, in  
32 writing, of the approval. The department and the grantee shall  
33 sign a grant contract. The grant contract must specify what  
34 report requirements and other grant requirements must be met  
35 prior to any obligation of funds. Payments on grant contracts  
36 shall be made on the basis of grantee activity in the program.

1 Cash on hand in excess of 30-day program requirements shall not  
2 be delivered. Payments to grantees shall be reviewed in  
3 comparison to expenditures to determine cash needs. Grantees  
4 shall report expenditures monthly on forms to be supplied by the  
5 department. The department shall require the grantees to  
6 project the next month's cash needs on the previous month's  
7 expenditure report. If the grantee determines that it cannot  
8 fulfill its obligations under the plan in whole or part, the  
9 grantee may request an amendment or revision of the existing  
10 approved plan and resubmit a new plan or amendments within 30  
11 days after the written notice of request for consideration. The  
12 request from the grantee must be in writing detailing its  
13 specific views with supporting data and arguments.

14 L. Variances.

15 1. The department shall grant a variance to the use of  
16 materials required by 8 MCAR S 4.0012 C.35. if it appears that:

- 17 a. product or test standards have changed; and  
18 b. granting the variance would not adversely affect  
19 the public health or safety; and  
20 c. granting the variance would not conflict with  
21 applicable building codes.

22 2. A grantee may submit to the department a written  
23 request for a variance documenting the need to include or  
24 exclude additional or existing materials required by 8 MCAR S  
25 4.0012 C.35. If the agency initiates the variance as a result  
26 of a United States Department of Energy directive it will notify  
27 all grantees in accordance with 3. If the agency denies a  
28 request for a variance it shall notify the applicant, in  
29 writing, of the reasons for the denial.

30 3. The department shall notify all grantees, in writing,  
31 that a variance has been granted. Notification will be issued  
32 within 30 days after the granting of the variance.